

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA



FILED
7-11-16
04:59 PM

Application of SP Licenses, Inc. for
Registration as an Interexchange Carrier
Telephone Corporation Pursuant to the
Provisions of Public Utilities Code
Section 1013.

A.16-06-005
(Filed June 7, 2016)

**PROTEST
OF THE CONSUMER PROTECTION AND ENFORCEMENT DIVISION
TO THE APPLICATION OF SP LICENSES, INC.**

TRAVIS T. FOSS

Attorney for
Consumer Protection and Enforcement
Division

California Public Utilities Commission
505 Van Ness Ave.
San Francisco, CA 94102
Telephone: (415) 703-1998
Email: travis.foss@cpuc.ca.gov

MIKE KOHAYA

Analyst for
Consumer Protection and Enforcement
Division

California Public Utilities Commission
180 Promenade Circle, Suite 115
Sacramento, CA 95834
Telephone: (916) 928-2514
Email: Michael.kohaya@cpuc.ca.gov

July 11, 2016

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Application of SP Licenses, Inc. for
Registration as an Interexchange Carrier
Telephone Corporation Pursuant to the
Provisions of Public Utilities Code
Section 1013.

A.16-06-005
(Filed June 7, 2016)

**PROTEST
OF THE CONSUMER PROTECTION AND ENFORCEMENT DIVISION
TO THE APPLICATION OF SP LICENSES, INC.**

I. INTRODUCTION

The Consumer Protection and Enforcement Division (“CPED”) of the California Public Utilities Commission (“Commission”), hereby protests Application (“A.” or “Application”) 16-06-005 of SP Licenses, Inc. (“SP Licenses” or “Applicant”) for Registration as an Interexchange Carrier Telephone Corporation Pursuant to the Provisions of Public Utilities Code Section 1013. This protest is filed pursuant to Rule 2.6 of the Commission’s Rule of Practice & Procedure. SP Licenses filed its Application on June 7, 2016.¹ This protest is timely filed pursuant to Rule 2.6.

In its Application, SP Licenses seeks authority to operate as a switchless reseller that will provide statewide voice and data telecommunications service in the State of California. CPED protests SP License’s Application in order to address SP Licenses’ violation of Rule 1.1. The Commission should consider imposing fines or other appropriate penalties to address this violation and to deter Rule 1.1 violations in the future.

¹ The Application appeared on the Commission’s Daily Calendar on June 10, 2016; thus, the due date is July 11, 2016.

II. BACKGROUND

SP Licenses is a California Company with its principal place of business in Newport Beach, California.² In its current application, SP Licenses seeks Commission authority to operate as a switchless reseller, providing voice and data telecommunications statewide in California.³ SP Licenses applied for Commission authority via the simplified application process pursuant to Public Utilities Code § 1013.

III. SP LICENSES VIOLATED RULE 1.1 BY FAILING TO DISCLOSE REQUIRED INFORMATION IN ITS APPLICATION

The Commission's Rules of Practice and Procedure for Applications (Article 2) require the Applicant to submit information sufficient for the Commission to determine whether a company is fit to provide telecommunications services in California. The Commission has adopted a specific application form for applicants seeking to Commission authority to operate.⁴ The question in Section 9⁵ of this application requires the applicant to certify, as True or Not True, that:

To the best of applicant's knowledge, neither applicant, any affiliate, officer, director, partner, nor owner of more than 10% of applicant, or any person acting in such capacity whether or not formally appointed, is being or has been investigated by the Federal Communications Commission or any law enforcement or regulatory agency for failure to comply with any law, rule or order.

In its application, SP Licenses responded to the question in Section 9 by stating "True" (has not been investigated by the Federal Communications Commission (FCC) for failure to comply with any law, rule or order.).

On July 16, 2007, the FCC issued a Citation to Jamie Christiano of NetDot Solutions,⁶ pursuant to section 503(b)(5) of the Communications Act of 1934, as

² A.16-06-005, Section 1, page 1, page 1.

³ A.16-06-005, Sections 4, 5, 7, page 2.

⁴ D.13-05-035, Ordering Paragraph 14(h), Attachment D.

⁵ A.16-06-005, Section 9, page 2.

⁶ NetDot Solutions is an Affiliated Entity of SP Licenses, A.16-06-005, Exhibit E.

amended, 47 U.S.C. § 503(b)(5), for violations of the Act and the FCC's rules that govern telephone solicitations and unsolicited advertisements.⁷ Jamie Christiano is the President and 60% shareholder of SP Licenses.⁸ NetDot Solutions delivered autodialed, prerecorded, or artificial voice messages to an emergency telephone line, a telephone line of a guest or patient room at a health care facility, or a telephone number assigned to a paging service, cellular telephone service or any service for which the called party is charged for the call in violation of section 227(b)(1)(A) of the Act and section 64.1200(a)(1) of the FCC's rules.

SP Licenses failed to disclose this FCC Citation in its application. This failure to disclose violates Rule 1.1 of the Commission's Rules of Practice and Procedure. The Commission should consider this failure to disclose required information in determining whether to approve the Application, and should impose fines or other appropriate penalties in light of this violation

IV. CONCLUSION

SP Licenses applied for a Registration License to operate in California. CPED found that SP Licenses failed to disclose a regulatory action taken against it and therefore violated Rule 1.1 of the Commission's Rules of Practice and Procedure. CPED believes that further investigation is appropriate in order to determine Applicant's fitness to do business in California and if a penalty or other sanctions may be recommended. CPED respectfully requests that the Commission set an evidentiary hearing in this matter and consider evidence from CPED's ongoing investigation into Applicant before making a final decision about the Application.

⁷ https://apps.fcc.gov/edocs_public/attachmatch/DOC-290331A1.pdf

⁸ A.16-06-005, Exhibit C & E.

Respectfully submitted,

/s/ TRAVIS T. FOSS

Travis T. Foss

Attorney for Consumer Protection
and Enforcement Division

California Public Utilities Commission
505 Van Ness Ave.
San Francisco, CA 94102
Telephone: (415) 703-1998
Email: travis.foss@cpuc.ca.gov

July 11, 2016